



State of California

Employment Training Panel

Arnold Schwarzenegger, Governor

February 16, 2010

Document Electronically Transmitted

Kevin Fraczek
Intel Corporation
NE 5200 Elam Young Parkway MS HF3-04
Hillsboro, CA 97123
Kevin.fraczek@intel.com

Dear Mr. Fraczek:

RE: **FINAL MONITORING VISIT REPORT** for Intel Corporation (Intel) – **ET08-0136**

Date of the Visit:	10/05/09
Beginning/Ending Time:	11:30– 1:30
Date of Last Visit:	08/13/09
Visit Location:	ETP Sacramento Regional Office
Persons in attendance:	Intel representatives: Brad Ake and Elizabeth Crupe; Employment Training Panel representatives: Rosa Hernandez, Regional Manager and Kerri Muraki, Project Analyst
Action Required:	No

CONTRACT INFORMATION:

Term of Agreement:	07/05/07 – 07/04/09	Agreement Amount:	\$1,627,290.00
Training Start Date:	Job 1: 07/07/07 Job 2: 02/22/08	No. to Retain:	Job 1: 550 Job 2: 885
Date Training must be Completed:	04/03/09	Range of Hours:	Jobs 1 & 2: 24 - 200
Type of Trainee:	Retrainee	Weighted Ave. Hours:	Jobs 1 & 2: 63

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1100 J Street, 4th Floor
SACRAMENTO, CA 95814
(916) 327-5640

N. HOLLYWOOD REGIONAL OFFICE
4640 Lankershim Blvd., Suite 311
NORTH HOLLYWOOD, CA 91602
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S.F. BAY AREA REGIONAL OFFICE
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FOSTER CITY, CA 94404
(650) 655-6930

SAN DIEGO REGIONAL OFFICE
5353 Mission Center Road, Suite 110
SAN DIEGO, CA 92108
(619) 686-1920

www.etp.ca.gov
ETP (04/15/05)

FINAL REPORT SUMMARY:

Project Summary

Job 1 training began on 07/07/07. Your staff reported that all training was completed on 04/03/09, which allowed for the 90-day retention period to be completed within the term ending date of the Agreement – 07/04/09.

This contract had several contract administrators and ETP analysts throughout the term of the Agreement. Initially, the project was hampered by the contractor's confusion with the ETP upload process. Although training was ongoing, staff from Intel and ETP worked to resolve upload concerns.

Intel representatives did not upload any trainees prior to completing 24 hours of ETP training.

History of Agreement Changes

ETP approved one Agreement Amendment with an effective date of 02/22/08. This contract was amended as follows:

- Added Job 2 (Phase) effective date 02/22/08
- Added 885 trainees to Job 2

This Amendment increased the contract amount by \$1,003,590 (Job 2), from \$623,700 to \$1,627,290.

Interview with Contract Administrator, Brad Ake, Quality Control Program Manager

- What barriers, if any, did your company experience in implementing your ETP project?

The general profile of our training model made it a challenge to map to the systems and process within the ETP program. One of the primary steps within the ETP program was when the training was done. Within our corporation that training is continuously being updated and evolved to keep us on the cutting edge of technology. This made it difficult to state definitively when any particular training cycle is done.

- What problems, if any, did your company experience with ETP record keeping?

The only significant problem concerned a data corruption problem when the number of uploaded employees exceeded 10k.

- What assistance could ETP have provided that would improve the process for future Contractors?

One thing that would improve the overall relationship would be to ensure headcount turnover is minimized within a contract cycle. Due to the complexity of our contract it was critical that we have a strong working relationship with our contact within the ETP program.

- How did your company benefit from the ETP training?

Our company has benefited significantly from the support of the ETP program. The funding received was used to enhance programs within our companies learning and development groups.

Mr. Ake and Ms. Crupe provided Ms. Muraki with projected statistics for the closeout of the Agreement. According to your records at the time of this final meeting, you expected to retain a total of 531 Job 1 (96%) and 989 Job 2 trainees (112% percent of planned retentions) trainees for a total reimbursement of \$1,627,290.00 (100 percent of the encumbered amount). Ms. Crupe stated that the closeout invoice will be submitted by 10/15/09.

Intel records show that 1,520 trainees have completed training (100% of planned retentions) and 1,520 trainees have completed the 90 day retention period (100% of planned retentions). Intel projects earnings to be \$1,627,290.00 (100% of the encumbered total). Intel has fiscally closed this contract on 11/04/09, which reflected \$1,627,290.00 in progress payments, all of the funds have been approved as earned.

PROJECT STATUS PROVIDED BY THE CONTRACTOR:

Job Number	Number to Retain	Number Enrolled in Training	Number of Trainees Dropped (following enrollment)	Number of Active Trainees	Number of Trainees Completed all Training (in Reten.)	Number of Trainees Completed Retention
1	550	2,866	2,311	24	531	531
2	885	1061	68	4	989	989
Totals:	1,435	3,927	2,379	28	1,520	1,520

ATTENDANCE ROSTERS:

Contract representatives stated that although Intel utilizes a LMS system, paper rosters are used as back-up documentation and validated by an instructor. Company policy guidelines are in place for attendance compliance and if a course is not completed (hours) then no training hours are reflected for that trainee for that particular course. ETP staff reviewed Intel's LMS system. Upon review, the system adhered to all ETP required standards.

SUBAGREEMENTS:

Intel provided its own administration and in-house training

INVOICES:

All funds for contract ET08-0136 were earned. Through an ETP review, Intel contract, ET03-0308 was determined to be overpaid \$288.92, therefore INV 9 of this contract was offset by \$288.92 to recoup funds.

LOCATION OF TRAINING:

- 111 THEORY AVENUE, IRVINE
- 1900 PRAIRIE CITY RD, FOLSOM
- 44235 NOBELL DRIVE FREMONT
- 8674 THORNTON AVE NEWARK
- 2880 NORTHWESTERN PKWY SANTA CLARA
- 2200 MISSION COLLEGE BLVD SANTA CLARA (A)
- 2200 MISSION COLLEGE BLVD SANTA CLARA (B)
- 2150 SHATTUCK AVE, BERKELEY
- 9835 GOETHE ROAD, SACRAMENTO

AUDIT:

Intel will be notified in writing if this agreement is selected for an audit, conducted either at your site (field audit) or by telephone (desk audit or "review"). The Audit Notification and Audit Confirmation letters will be sent in advance to allow ample preparation time and will include a list of documents that will be examined by the auditor. To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

RECORD RETENTION:

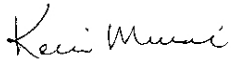
Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

If you have any questions regarding the content of this Final Visit Report or your ETP contract, please contact Kerri Muraki, ETP Project Analyst at 916-327-5677 or kmuraki@etp.ca.gov within ten (10) days upon receipt of this document.

Sincerely,



Rosa Hernandez, Manager
Sacramento Regional Office



Kerri Muraki, Project Analyst
Sacramento Regional Office

cc: Brad Ake, brad.l.ake@intel.com
Elizabeth Crupe, Elizabeth.e.crupe@intel.com
David Guzman, Chief, Program Operations Division
Kulbir Mayall, Manager, Fiscal and Certification
Master File
Project File